

Government of the District of Columbia



Child and Family Services Agency

Testimony of
Brenda Donald Walker
Director

“FY06 Budget Request Hearing”

Committee on Human Services
Adrian Fenty, Chair
Council of the District of Columbia

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Testimony of
Brenda Donald Walker, Director
D.C. Child and Family Services Agency
before the District Council, Committee on Human Services

Fiscal Year 2006 Budget Request

Good morning, Chairman Fenty and members of the Human Services Committee. I am Brenda Donald Walker, director of the District's Child and Family Services Agency. I will present a strategic overview of the Mayor's FY06 budget request for CFSA and answer any questions you may have.

In keeping with the FY05 Budget Support Act, CFSA's FY06 baseline budget request is essentially flat at \$238 million. As you know, we anticipate receiving an additional \$6 million in federal revenue through the proposed Title IV-E match increase. In that case, our total budget will increase by 2.5 percent over FY05. Although relatively flat, our FY06 budget request includes higher line items for employee cost-of-living increases, higher placement contract rates, and increased adoption subsidies. We were able to absorb these increases as a result of management and programmatic efficiencies, increased revenue projections, and decreasing numbers of children in foster care. We are also seeking Community Investment funding of \$6.39 million for guardianship subsidies. Of this amount, \$4.39 million is for increased subsidies for the growing number of children achieving permanent homes through the CFSA's guardianship program, and \$2 million is for a new program that would provide subsidies to grandparents and other relatives raising children who are not CFSA wards.

CFSA's budget is driven by three mandates: **safety, permanence, and well-being**. Safety is paramount, and **65 percent** of our budget goes toward investigations, preventive, and early intervention services, family reunification efforts, placement services, case management, in-home services, training, quality assurance, data collection and management, and facilities.

Seventeen percent of our budget goes toward finding and supporting permanent homes for children, including case management and adoption and guardianship subsidies. Child well-being represents 15 percent of our budget, including a portion of investigations, mental and physical health services, substance abuse treatment, educational support, mentoring, and day care. **Three percent** of CFSA's budget covers essential administrative functions including human resources; contracts and procurement; fiscal operations; legal; and planning and policy.

That's a bird's eye view of CFSA's budget. Now, here's a closer look at how we built the FY06 budget to carry out our mission and meet legal mandates.

Over the past four years, the number of children in out-of-home care has declined from 3,200 in 2001 to just under 2,700 today. This reflects an overall trend in child welfare across the country, with fewer children coming into care and an increased local focus on permanence. In the District, we are starting to see a return on investments made by the Mayor and the Council that have allowed CFSA to shift from a 24/7 crisis mode to practicing real child welfare. Our declining caseload is a result of a new emphasis on permanence, training that supports better decisions on the front end and throughout the life of a case, and continued investment in partnerships with the Healthy Families/Thriving Communities Collaboratives for prevention and early intervention services. Special appropriations from Congress allowed us to jumpstart Family

Team Meetings, our first significant practice reform initiative, and to establish best practices in mental health services that stabilize troubled children in their own families or in foster homes. Based on discussions with child welfare leaders in other large cities, I can tell you that the District's child welfare reform activities are attracting attention.

As I mentioned earlier, we have sharpened our focus on ensuring children have permanent families, as the federal Adoption and Safe Families Act of 1997—or ASFA—requires. ASFA reinforces that foster care should be a short-term haven to protect children, not the life sentence to which too many of our kids have been condemned. It requires child welfare agencies to file court motions to terminate parental rights when a child has been in foster care for at least 15 out of the last 22 consecutive months. Although we have been increasingly successful in getting children adopted and into guardianships—especially last year when we reached a record high, the District has not adhered to the ASFA timeline. In partnership with the Office of the Attorney General, we are now moving aggressively to make children legally free for adoption and are stepping up recruitment efforts to find families for all children waiting to be adopted. We are also being more intentional about reunification and expect more children to go home sooner as a result of Family Team Meetings.

These strategies are taking root and becoming core practices, and we expect to continue to see decreasing caseloads as a result. Our FY06 budget request, therefore, reflects a projected caseload of 2,810 children in foster care, 215 fewer than we projected in our FY05 budget. If you are wondering why this is higher than the 2,700 children I mentioned earlier, it's because 2,700 is a point-in-time number. The total number we serve in a year is higher because some children

cycle in and out of foster care for only short periods. We provide placement and other services while they are in our care, so we must budget for the whole-year number.

As we succeed in moving more children to permanent homes through adoption and guardianship, the need to pay subsidies increases, and our budget reflects these increased costs. In FY06, we expect to achieve an additional 220 adoptions and an additional 200 guardianships, costing \$3.9 million and \$4.3 million in additional subsidies. Because federal law mandates adoption subsidies, these costs were built into our baseline budget. The guardianship program, however, was established under District law and permits, but does not mandate subsidies, so the Mayor included these costs as a Community Investment request. Permanent homes are infinitely better for children, and subsidies are essential for the families who agree to raise them. What's more, permanent homes are much more cost-effective than out-of-home care. The difference is an average cost of \$26,000 a year to care for a child in foster or kinship care and an average annual subsidy of \$10,800. Clearly, permanence is a win-win situation for children and taxpayers.

In previous testimonies, I talked about the changing demographics of our foster care population, and I want to highlight it again because that dynamic influences our budget. As we focus on permanence and succeed more often with the healthiest younger children, our foster care population is becoming more skewed toward older children and those of all ages who have severe physical and emotional challenges.

In January 2004, youth ages 15 to 21 represented **31** percent of our foster care population. By January 2005, youth 15 and older had jumped to **37** percent. This trend has numerous

implications, with the most relevant to the budget being that older children are more likely to reside in expensive group homes or independent living facilities. The average annual cost of a foster home is \$26,000; for congregate care it is \$71,000. Our FY06 budget includes \$30 million for congregate care, of which \$25 million covers **360** youth ages **15 and older**. If those 360 youth were placed in family foster homes, the cost would be **\$9.4 million**. Clearly, we must find and support more foster families willing to take teens and intensify our efforts toward adoption and guardianship.

The proportion of medically and emotionally challenged children on our foster care caseload is also growing. Although we do not yet have comparative data on this trend, there is no question that these so-called “high-end” foster children require costly placements and specialized services. We must not give up on these children but do have to work very hard to find appropriate family placements for them, and, we must support families who step forward for these children through services and subsidies.

Finally, as I have reported previously, our placement contract rates have increased as a result of licensing standards and expanded services. In the past, the crisis mode in which the program operated led to “warehousing” far too many children in unlicensed foster and group homes that basically provided room and board. Today, these facilities must meet basic health and safety standards, staffing ratios, and services.

The point is that the District is now experiencing a trend common to every urban child welfare program that has pursued aggressive child welfare reform—and that this trend has significant

budget implications. *Even as caseloads are declining, the average cost per child in the system is rising.*

The District is now on the final leg of its march toward independence from federal court oversight of public child protection, with less than two years left to meet demanding benchmarks in the Implementation Plan. While a number of goals are well within reach, many others are proving to be challenges. Over the next year and a half, we must prove that CFSA is ready to stand on its own. To do this, we must collectively wrap our arms around every abused and neglected child to ensure that he or she is getting the best the District has to offer. The Mayor's FY06 budget request for CFSA will allow us to do our part. I respectfully ask that you approve it. Thank you.